

## **Performance & Administration Committee**

**Monday, 17 September 2018**

**7:30pm**

### **Present:**

Cllr Derek Shelbrooke (Chair)  
Cllr John Knight (Vice-Chair)

Cllrs:            Brian Francis  
                     Rob Halpin  
                     Gary Harding  
                     Bronwen McGarrity  
                     Peter Scollard  
                     Narinder Thandi

Mike Bytheway	Service Manager (Revenues & Benefits)
James Larkin	Head of Audit & Counter Fraud Shared Service
Ben Turner	Corporate Performance Manager
Ben Clarke	Committee & Scrutiny Assistant (Minutes)

### **25. Apologies**

An apology of absence was received from Cllr Jordan Meade. Cllr Bronwen McGarrity substituted.

### **26. Minutes**

The minutes of the meeting held on 05 July 2018 were signed by the Chair.

### **27. Declarations of Interest**

No declarations of interest were made.

### **28. Annual review of the Audit & Counter Fraud Shared Service**

The Committee was provided with a copy of the annual review that has been conducted in respect of the Audit & Counter Fraud shared service with Medway Council.

The Head of Audit & Counter Fraud Shared Service outlined that since December 2015, the Council has had in place a shared service with Medway Council for the delivery of the Audit & Counter Fraud service. There were some challenges to the Service during the financial year that were reflected in the review, one of them being that two officers were on long term sick leave separately for six months each. Each officer is now back from leave and working full time within the service.

The Head of Audit & Counter Fraud Shared Service stated that the internal audit service was delivered with 91% plan completion (as at 31 March) for both authorities. While the Service fell short of its 95% target, the performance is still considered very good given the long term

sickness of two officers and staff turnover that left an officer and manager posts vacant for half the year..

An external Quality Assessment was completed by Gateway Assure in year and concluded that the service was performing in line with the Public Sector Internal Audit Standards (PSIAS). Benchmarking provided showed that in relation to the three categories of measurement, the service was performing above the average for local government. While the assessment produced a positive outcome, there were some recommendations for improvement. An action plan was prepared to deal with the recommendations and this was endorsed by both the Finance & Audit Committee and the Audit Committee at Medway in June 2018.

The Head of Audit & Counter Fraud Shared Service added that:

- Two officers completed professional qualifications during the year. One officer completed exams to qualify as a Chartered Internal Auditor and the other one passed their Level 4 AAT
- After being appointed as the Head of Service, James Larkin's old manager post was deleted as part of a restructure and a third team leader position was created.
- The Team Leader posts were regraded from Range 5 to Range 6 (under Medpay Scheme) to address concerns raised in previous years review and to take account of delegated responsibilities added by the deletion of the Manager post.
- An intelligence analyst officer post was also created; that role will provide further resources for a more pro-active approach to identifying fraud and in turn will hopefully lead to an increase in the value of savings identified
- The 2017 review had highlighted some pay disparity between the Audit & Counter Fraud Officers, which had been created by four separate job roles being moved into one new one. While all officers were on the same pay range, their level of pay within that range differed considerably due to their previous roles and with no incremental rises, would not catch up with colleagues. The lowest paid officers were increased to a minimum level to be comparable with colleagues.
- All of the changes were achieved within the existing budget and the overall costs of the service were under budget for 2017-18.
- One officer has taken flexible retirement from 01 September 2019; the reduction in hours and additional hours left by other part time officer means that there is one FTE post available. It is intended that recruitment will take place in early 2019 with a view to the officer being in post for 01 April 2019.
- The salary savings created by vacancies in 2018-19 will be used to fund an upgrade of the IT equipment to bring it into line with modern standards and create efficiencies within the service.

The Chair commended the team for the work that had been carried out throughout the year and thanked the Head of Audit & Counter Fraud Shared Services for the informative update.

## **29. Corporate Performance Update – Quarter One 2018-19**

Further to minute 23 (05/07/2018) the Corporate Performance Manager presented Members of the Performance and Administration Committee with an update against the Performance Management Framework, as set out within the council's Corporate Plan 2015-19, for Quarter One 2018-19 (April to June 2018).

The Corporate Performance Manager advised the Committee that it was a standard report that is brought to the Committee every quarter to update them on the performance of the work carried out within the Portfolio. He gave a brief overview of the layout and what the performance measures and performance indicators were as well as what they outlined in the report.

The Chair advised that each policy commitment would be looked at giving officers a chance to update Members further on the work that was involved in calculating the performance results as well as feedback on the relevant departments.

### **1. Underpin all council activity with sound governance and internal control measures minimising the opportunities for fraud and corruption**

#### *Performance Measure 41: Percentage of internal audit recommendations implemented*

The Head of Audit & Counter Fraud Shared Services advised that it is the only PI the team has in place that he has no control over in terms of its end position. However the team do their utmost to follow up on the recommendations with senior management to ensure that they are being correctly implemented. A total of 36 recommendations were due to be implemented and, as of 30 June 2017, 10 of those remain outstanding; of those ten only number 6 on page 24 has been implemented: *Enhancement to arrangements to ensure completeness of 2018/19 service plans and service risk register.*

Progress made towards implementing outstanding recommendations is monitored on a quarterly basis through reports to the council's Management Team, with emails sent to department heads every month as well. Details of all recommendations agreed, implemented and outstanding are provided to the Council's Finance & Audit Committee as part of the quarterly and annual A&CF update reports. Additionally, the Finance & Audit Committee has requested that any recommendations that are 6 months past their implementation date be flagged up to the Committee, and the relating officers attend to answer any questions.

### **2. Quality frontline services delivered on time and to the right people**

#### *Performance Measure 11: Average time taken to process Housing Benefit/Council Tax new claims (days)*

The Service Manager (Revenues & Benefits) advised that, at the end of last year when the decision was taken not to progress the planned shared service arrangement, three staff left their posts. Those three staff were highly experienced and very difficult to replace; nationally there is a shortage of experienced Housing Benefit officers due to the implementation of Universal Credit. Staff feel they will eventually lose their jobs when full migration to UC occurs so they are moving onto other fields, because of that, trainees have had to be hired and trained up to fill those three vacant positions. The three trainees will become fully qualified but the length of training takes roughly six-nine months due to the complexity of the legislation.

The Committee raised concern over the disappointing downturn and implored the officers to remember that there are people behind the numbers. Members did appreciate the difficult factors that the Team were facing but questioned what training they would be giving the new trainees.

The Service Manager (Revenues & Benefits) stated that there is a Training Officer within the team that would train them to a nationally accredited standard that brings them to the levels required to deal with the claims that Gravesham receives.

The Service Manager (Revenues & Benefits) highlighted some improved performance figures to the Committee:

- Within the second quarter performance turned around; for July the average was just 18.8 days and 18.7 days in August
- Slowly but surely the average amount of days will be reduced and the team fully expects to reach the target by the end of the year
- It should be noted that Housing Benefit claims could potentially be completed a lot quicker but that relies on the claimants giving the team all the relevant information otherwise it delays it as officers have to chase the required information
- To decrease the average day count and combat the lack of staff, agency staff have been temporarily hired and the staff are working overtime

*Performance Measure 12: Average time taken to process Housing Benefit / Council Tax change of circumstances (days)*

The Service Manager (Revenues & Benefits) noted the Committee concerns over the rising figures each quarter and explained that it was also due to the lack of resources available. He also elaborated that even the claims that did not go to Universal Credit still required a lot of work as the Universal Credit service centre send forms to complete which are very time consuming.

The Service Manager (Revenues & Benefits) did assure Members by reminding them that the national average was 22 days for New Claims and 8 days for Changes of Circumstances and that historically GBC's performance has always been well under that; at the moment GBC is just currently experiencing the problem of lack of resources like many other local authorities.

In response to a question on how many complaints have been received, the Service Manager (Revenues & Benefits) advised that the number was very little and he actually would have expected more. The performance of the team is still good compared to other Councils, however there is still much to improve upon to bring up the figures.

**3. Work to maximise income collection through the robust management and recovery of debts owed to the council**

*Performance Measure 9: Percentage of Council Tax collected*

The Service Manager (Revenues & Benefits) explained that the Council Tax figure does fluctuate month to month so the most important one is the year-end figure; the previous year's 97% is a significant achievement for the authority, particularly given the impact of the Council Tax Reduction Scheme and the ambition for 2018-19 is to achieve this high outturn again.

*Performance Measure 10: Percentage of NNDR collected*

The Service Manager (Revenues & Benefits) reported that the team did achieve an all-time high of 99% collection rate 2 years ago and currently the team are on track to reach the target of 98.5% this year.

Performance Measure 42: Total amount of housing benefit overpayments raised

With regard to outside influences, the DWP send the team data matches and send over real time information such as customer earnings and pensions that fluctuate throughout the year etc. Individual claims have to be reassessed when that information is received; more benefit overpayments are always raised than can be recovered. A lot of the time the person does not have the money to pay it back so the money is not recovered initially. Another change that had a big impact on the performance of the service is Universal Credit; the overpayments cannot be recovered from claimants that have been transferred over to Universal Credit.

Long term, Universal Credit is an ongoing programme and it will not be fully migrated until at least 2022; any new claimant will have to apply for Universal Credit now rather than Housing Benefit. A full report will be brought to the next Committee meeting to give Members a detailed update on the future of Universal Credit and its impact in Gravesham.

**4. Deliver on opportunities for the sharing and selling of council services.**

Performance Indicator 45: % of posts involved in shared service arrangements

The Corporate Performance Manager stated that the 6% figure equated to 28 shared service posts within GBC. As part of the 'Bridging the Gap' activity MT will continue to analyse services and identify potential opportunities for services to be shared in the future. The new shared Licensing Service led by Mark Lees will hopefully become live later on this year.

**5. Continuously review and adapt how we deliver our services to achieve financial efficiencies and improved Performance**

The Corporate Performance Manager advised that the 'Bridging the Gap' strategy was put in place to address the shortfall from the reduction in central government grant. A key part of the council's strategy is the Service Review programme that had the target of identifying £1.4 million in savings by 2020. Over £1 million of savings has already been delivered and fully reflected in the council's Medium Term Financial Plan.

The Corporate Performance Manager stated that many of the easier savings had already been delivered and therefore the remaining £400K will involve more challenging areas for the council, such as the development of a commercial programme at Brookvale; a full monitoring report on progress against the remaining projects will be presented to Cabinet in January 2019.

**30. Any other business which by reason of special circumstances the Chair is of the opinion should be considered as a matter of urgency.**

The Chair advised that the following topics would have detailed reports coming to the next Committee meeting on Thursday, 15 November 2018:

- Universal Credit
- General Data Protection Regulations (GDPR)
- Citizens Access Portal

**Close of meeting**

The meeting ended at 8:10pm.